

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

TIMBER SALE PROSPECTUS
“NC-1506-D Glacier Creek Fire Salvage #1”

LOCATION, ACCESS AND ESTIMATED VOLUME:

NC-1506-D Glacier Creek Fire Salvage #1 Timber Sale is located south of the Pogo Road on the Tanana Valley State Forest. The timber sale area is legally defined as being in NW^{1/4} SE^{1/4}, NE^{1/4} SW^{1/4} Section 6 Township 7 South Range 10 East Fairbanks Meridian. The sale area is located approximately 10 air miles from the Richardson Highway; approximately 12.5 miles beyond the Pogo Gate. Access to this sale is via Pogo Road to the 12.5 Mile area, thence south along the road centerline designated on the ground by orange truck road flagging approx. 25 mile to the existing dozer line. Thence along the existing dozer line, southerly to unit 1 .2 miles or northeasterly .4 miles to unit 2 sale unit boundary. This sale area is comprised of two units of dead standing and down white spruce fuelwood on 0-40% slopes. The sale area (24.9 acres total) is designated for harvest and the boundary is shown on the attached Sale Area Map, which is made a part hereof, and as designated on the ground by the State with pink timber sale flagging. **The Division estimates 945.8 CCF of white spruce saw fuelwood, 184.2 CCF of white spruce sawtimber, and 98 CCF of Birch fuelwood is designated within the sale units.**

SALE HISTORY: The sale area is comprised of live white spruce, birch and standing dead and down white spruce. The mortality of the stand was due to the wildland fire, Gilles Creek 2010. This harvest area is within the Gilles Creek Fire Salvage FLUP area.

METHOD OF VOLUME ESTIMATION: The sale was estimated by Division of Forestry personnel. The spruce fuelwood volume was estimated at 49.3 CCF/Ac. White Spruce Fuelwood is considered to be any tree that is 5.0" DBH or larger. White Spruce sawtimber is considered to be any live standing tree 9.0 DBH and larger. Birch fuelwood is considered to be any live standing tree 7.0 DBH and larger. The State neither expressly nor implicitly warrants its estimate of quantity or quality, or marketability of the timber sold. Prospective bidders should make their own estimates of timber volume and quality. The State neither expressly nor implicitly warrants its improvements estimates. Estimates are used only to establish minimum bid. Each PURCHASER is required to estimate his own costs and bid accordingly.

TOPOGRAPHY AND STAND CONDITIONS:

NC-1506-D is located on a slope ranging in elevation from 1,150 feet to 1,300 feet, and is all season accessible. Slopes vary from 0% to 45% with the average being about 10%. The unit has a southerly aspect and is comprised of Birch and White Spruce. The sale area is comprised of dead standing and burnt timber, standing and blown down, located within the boundaries of Gilles Creek fire. Stand age varies from 50 to 150 years.

CONTRACT REQUIREMENTS AND STIPULATIONS: The contract shall be a standard Division of Forestry timber sale contract with necessary special provisions added to cover conditions pertinent to the sale. The following list briefly reviews special conditions of the contract.

ACCESS AND ROAD CONSTRUCTION:

Pogo Road Access: The PURCHASER shall receive approval from the Forester-in-Charge that Pogo Mine has been notified and will let he PURCHASER'S equipment and employees through the gate prior to commencing operations. The general public use of the Pogo Road is prohibited without an authorization from the Department of Natural Resources (DNR). The PURCHASER and his employees and subcontractors shall be authorized to use the Pogo Road for purposes directly relating to this timber sale. A list of the PURCHASER'S employees and subcontractors shall be provided to the guard at the Pogo Road gate. **Personal use of the Pogo Road without authorization from DNR shall result in termination of the sale and forfeiture of bonds and stumpage payments as determined by the State. Personal use includes; hunting, trapping, fishing, mushroom picking, berry picking, hiking, camping and any other activity or use not directly related to this timber sale. Pogo Mine may temporarily close the road for safety reasons, road maintenance or improvements, and to prevent damage to the Pogo Road during breakup, very wet road or dangerous conditions.**

(2) **Use, Repair and Safety of the Pogo Road:** The PURCHASER shall protect the Pogo Road from any damages as a result of the timber sale operations. If damages do occur as a result of the PURCHASER'S operations, the PURCHASER shall repair them promptly to the original condition before the damage occurred. Warning signs, or flaggers, or flares shall be used to mark damaged road surface resulting from the PURCHASER'S operations. When equipment is operating or turning on or off the Pogo Road in areas with less than 0.20 miles of visibility the PURCHASER shall warn oncoming traffic with warning signs, or flaggers, or flares. Road damages that are not immediately repaired to the original condition of the road shall be immediately reported to the guard at the Pogo gate and reported within 24 hours to the Forester-in-Charge. Damaged sections of road exceeding 200 feet in length, shall be repaired by Pogo Mine. The PURCHASER shall reimburse Pogo Mine for expenses to repair damage to the Pogo Road resulting from the PURCHASER'S operations.

(3) **New Road Construction:** The PURCHASER is required to install one approach to access the sale from the Pogo Road. \$775.00 is estimated development cost for constructing the approach to the sale off of the Pogo Road. The PURCHASER may be required to place 20 cubic yards of gravel or rock on the surface of the approach adjacent to the Pogo Road to protect the edge of the Pogo Road and limit the mud that would be tracked onto the road. The Construction requirement is contingent on the season when harvest occurs; harvesting during wet periods will necessitate approach surfacing. The PURCHASER is not allowed to use the stock pile of gravel or rock in material sites along the Pogo Road unless approved by the Pogo Mine in writing. The State may provide road fabric to be placed before spreading the gravel.

Approximately 0.25 miles of new road construction is required to access the sale area. Additionally, 1.0 miles of Dozer fire line constructed during the Gilles Creek Fire (2010) will require minor reconstruction to access the timber sale units. All right of way timber will be included in the sale

volume. Estimated road construction/ reconstruction cost is \$2,000.00 to access the timber sale units. The cost for constructing spur roads within the sale was not included and will need to be constructed at the PURCHASER'S expense.

Before constructing any primary, secondary or spur road that has not been marked for construction by the State, the PURCHASER shall obtain written approval of the location and construction standards of such roads from the Forester-in-Charge. The PURCHASER shall notify the Forester-in-Charge before starting equipment operations to construct access.

(4) Landing Construction: All Landing Construction for the timber sale shall be located outside of the Pogo Road right-of-way. The landing area will not obstruct the road access along the Pogo Road. The PURCHASER shall notify the Forester-in-Charge before starting equipment operations adjacent to the Pogo Road.

Erosion Control: The contract requires the Purchaser to ensure that erosion does not occur along the access roads or deposition onto the Pogo Road during the life of the contract. The Purchaser will install gravel, water bars, grass seed and fertilize, and install fabric mats as necessary to ensure that erosion does not occur.

Access Roads in Sale Unit: Normal harvest operations, including roads and landings constructed in the sale units, and road maintenance costs, shall be incurred by the PURCHASER. A additional road maintenance bond or joint road use agreement may be required if deemed necessary by the State.

Road Closure: The PURCHASER shall be required to do road maintenance and/or sale closure work at the end of the sale in addition to normal erosion prevention efforts, as directed by the Forester-in-Charge.

SCARIFICATION: None Required

PRIMARY MANUFACTURE: Primary manufacture of the timber in Alaska is NOT required.

TIMBER SALE PERFORMANCE BOND: The PURCHASER, upon the execution of this contract and as a part hereof, will file with the State a timber sale performance bond which will be 10% of the bid price rounded up to the nearest \$100.00 or \$2,500.00 which ever is greater. Sawmill sites, contract deferrals, or other special improvements shall require additional bonding if approved by the Forester-in-Charge. The bond shall be of a type and form acceptable to the State, and shall set forth a surety acceptable to the State. The bond shall be cash or certificate of deposit, with completed bond forms provided by the State. Additional bonding may be required for road maintenance if required by the State.

CONTRACT EXPIRATION: The contract period expires Three (3) years from the date of contract execution.

AUTHORITY: The cutting and removal of timber shall be carried out under the authority of the Alaska Statutes, Title 38, Public Lands, Chapter 05, Alaska Land Act, Article 4, entitled "Disposal of Timber and Materials," and Title 11, Alaska Administrative Code, Chapter 71, Articles 1-5 inclusive, referred to as the "Timber and Material Sales" Regulations.

SALE PROCEDURES-BID DEPOSIT REQUIREMENTS: **This timber sale will be sold by oral bid auction on October 14, 2013 at Delta Area Forestry Richardson Hwy Mile post 267.5 Delta Junction, Alaska at 10:00 am adst.** To qualify for bidding, all bidders must, prior to the auction, submit a **current Alaska Business License** and the minimum sale deposit specified below, in the form of cash, certified check, cashiers check, money order, or any combination thereof, payable to the State of Alaska, Department of Natural Resources. **Personal checks will not be accepted for the sale deposit.** Any individual or firm bidding on State timber must be licensed to do business in the State of Alaska. The business license must be kept current during the life of the contract. Award of a timber sale may be withheld if the apparent high bidder fails to submit a copy of a current business license. Performance bonding required prior to the execution of these contracts is set at a minimum of \$2,500.00 or 10% of the bid price whichever is greater. If bidding as an agent for an individual, partnership, or corporation, prior to the start of bidding, the agent must present a notarized power-of-attorney authorizing such agency to the auctioneer. No agent may represent more than one principal, or bid in competition with the agent's principal. **Proof of Commercial Auto Liability (per AS 19.10.300) and Workers' Compensation Insurance (per AS 23.30.045) is required prior to operations commencing on the Timber Sale contract.**

BID GUARANTEE: An initial bid deposit of \$2,000.00 shall be made at the time of the timber sale auction. This bid deposit may be applied against the timber sale performance bond. The PURCHASER shall pay the full bond amount within 30 days of the auction to execute the contract. Deposits from unsuccessful bidders will be returned at the time the sale is awarded. The deposits furnished by the high bidder whose bid was declared acceptable will be retained as liquidated damages if the high bidder does not execute the contract and furnish satisfactory bonds within thirty (30) days of receipt of the contract for execution. The bid deposit shall be in the form of cash, certified check, money order, cashier's check or any combination of these in favor of the State of Alaska, Department of Natural Resources. All of the successful bidder's deposits will be credited to the total amount due to the State for stumpage or bonds.

MINIMUM ACCEPTABLE BID AMOUNT FOR NC-1506-D IS: \$19,668.59

METHOD OF PAYMENT: NC-1506-D is a SCALED sale. Log load tickets shall be completed for all loads. Log load tickets shall be delivered to Delta Area Forestry on the first business day of the WEEK. The Division of Forestry will scale the first load and every 10th load until a reasonable average volume per truck can be established. The PURCHASER shall contact Delta Area Forestry (895-4225) when the tenth load has been delivered. This load shall be kept separate and spread on the ground for scaling. The Division of Forestry shall complete scaling within 3 business days.

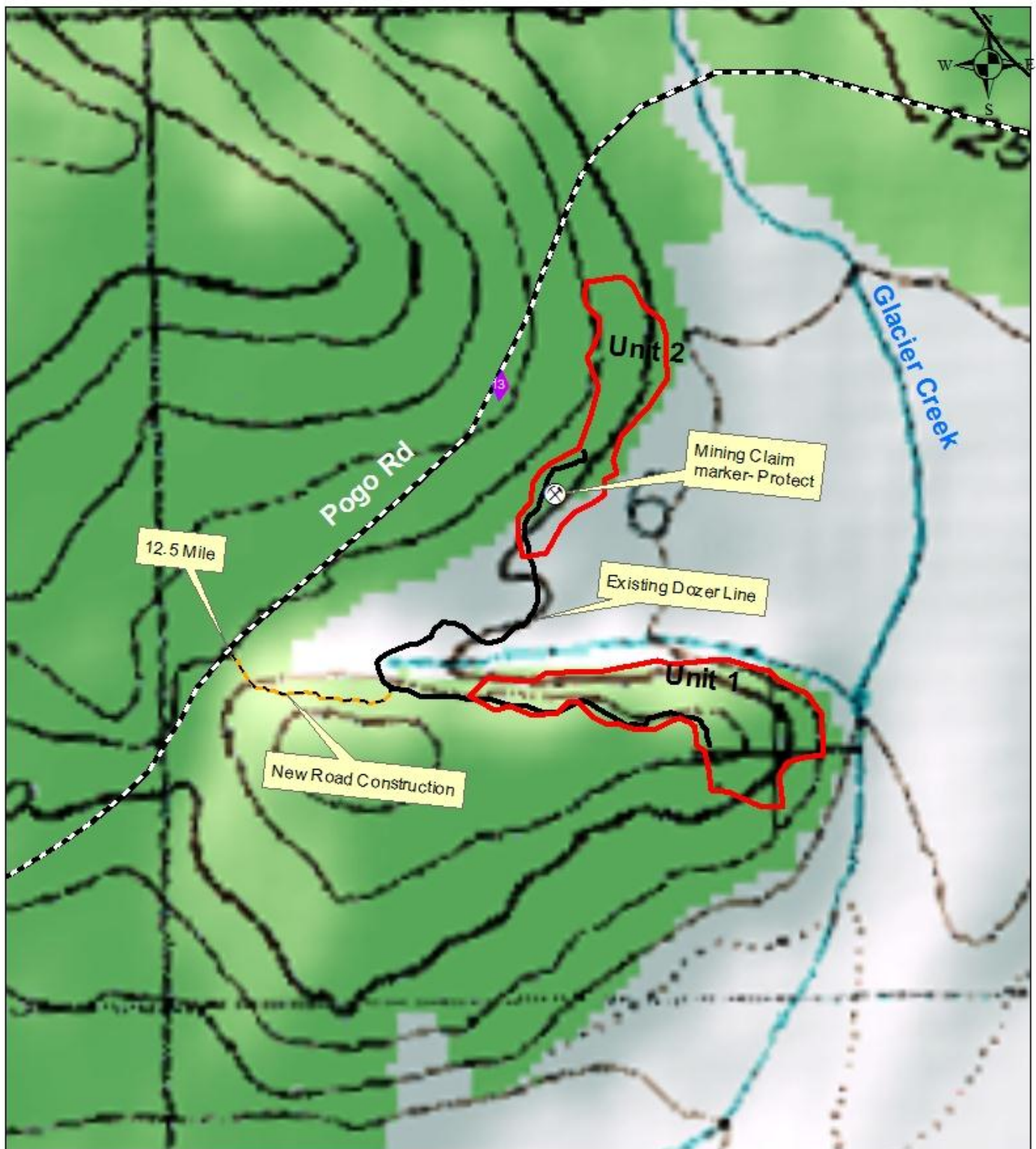
(b) Scaling provisions: For scaling, U.S. Forest Service Region 10 scaling rules, with appropriate supplements shall apply. Volume determination shall be by the Scribner decimal "C" Log Rule for sawlogs and the Huber Cubic Rule for fuelwood. Stumpage payments are non-refundable.

BID REJECTION: A bid containing or submitted with a condition or qualification on or a material alteration of the terms as specified in the notice of sale, or which is otherwise not in accordance with the law, will be rejected.


TIMBER SALE REVIEW: Anyone interested in visiting the proposed sale will need to contact the Delta Forestry Office and set up an appointment to visit the sale with a State Forestry employee. Individuals with disabilities who may need help with visiting the sale or bidding should contact the Delta Area Forester at 895-4225 no later than October 11, 2013 to make any necessary arrangements.

RESERVATIONS: The State reserves the right to waive technical defects in this prospectus and reject any and all high bids. The State reserves the right to award the timber for the amount of the next high bid to the next high bidder if the director considers the highest bidder unqualified to fulfill the requirements of the contract or if the contract is not executed by the highest bidder. The State also reserves the right to waive any informality in the bids received whenever the waiver is in the best interest of the State.

GENERAL: Further information, including copies of this prospectus, bid forms, sample contracts, copies of sale appraisal, etc. may be obtained from the Delta Area Office, Division of Forestry, Mile 267 ½ Richardson Highway, Delta Junction, Alaska 99737, or by contacting Mike Reggear by phone at 907-895-4225 or 895-2108, or by email at mike.reggear@alaska.gov.



NC-1506-D Glacier Creek Fire Salvage

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